

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

REVOCABLE PERMIT NO. ____

THIS PERMIT, entered into this _____ day of _____, 20 ____,
by and between the State of Hawaii, DEPARTMENT OF HAWAIIAN HOME LANDS, whose
principal place of business is 1099 Alakea Street, Suite 2000, Honolulu, Hawaii 96813, and whose
mailing address is P.O. Box 1879, Honolulu, Hawaii 96805, hereinafter referred to as "PERMITTOR",
and _____, whose address is

(Phone # _____), hereinafter referred to as "PERMITTEE."

WITNESSETH THAT:

PERMITTOR, pursuant to the authority granted to it by Section 204(2) of the Hawaiian Homes Commission Act, 1920, as amended (HHCA), and Section 171-55, Hawaii Revised Statutes, as amended (HRS), is authorized to issue permits for the temporary occupancy of its lands or interest therein on a month-to-month basis by direct negotiation without public auction, under conditions and rent which will serve the best interests of the PERMITTOR, subject however, to such restrictions as may from time to time be expressly provided by PERMITTOR.

NOW THEREFORE, PERMITTOR hereby grants to PERMITTEE permission to enter, occupy and use that certain parcel of Hawaiian home lands and all improvements, if any, located thereon, situated at _____, Island of _____, identified by Tax Map Key: (__) _____, County of _____, State of Hawaii, containing an area of approximately _____ acres, more or less, shown and outlined in red, on EXHIBIT "A", attached hereto and made a part hereof, hereinafter referred to as the "Premises."

PERMITTEE AGREES TO PAY RENT AS HEREINAFTER SET FORTH AND AGREES TO PERFORM AND ADHERE TO THE TERMS AND CONDITIONS UNDER WHICH THIS PERMIT IS GRANTED, WHICH ARE AS FOLLOWS:

1. Term. This PERMIT is granted on a month-to-month basis only, for the period commencing from _____, 20__, ("Effective Date") through June 30, 20__ for a period of time not to exceed one year from the date of issuance provided that the Hawaiian Homes Commission may allow the permit to continue on a month-to-month basis for additional one year periods.

THIS PERMIT IS GRANTED ON A MONTH-TO-MONTH BASIS ONLY. IT IS THE INTENT OF PERMITTOR TO DEVELOP THIS PARCEL PURSUANT TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED, THEREFORE PERMITTEE SHALL VACATE PREMISES WITHIN THE PRESCRIBED TIME UPON SUCH NOTIFICATION.

2. Purpose. The only purpose for which this PERMIT is granted and for which the Premises is to be used and occupied by PERMITTEE is for the following purpose(s) only:

3. Rent. Without notice or demand, PERMITTEE shall pay at the Fiscal Office of the DEPARTMENT OF HAWAIIAN HOME LANDS, 1099 Alakea Street, Suite 2000, Honolulu, Hawaii and whose mailing address is P. O. Box 1721, Honolulu, Hawaii 96806-1721, or at the _____ District Office at _____ on the island of _____ where the Premises are located, the sum of \$_____ upon execution of this PERMIT as rent for the Premises for the first month or the remaining portion of the first month of this PERMIT, receipt of which is hereby acknowledged, and the sum of \$_____ on the 1st day of each and every month thereafter for the duration of this PERMIT or until it is terminated or revoked as provided herein.

PERMITTEE shall be assessed a late charge of \$20.00 for any rent payment received after the 10th day of the month in which it is due and interest at twelve percent (12%) per annum shall accrue on any amounts more than thirty (30) days past due.

PERMITTOR reserves the right to increase or decrease the monthly rent at any time upon thirty (30) days' advance written notice to PERMITTEE.

4. PERMITTEE'S prior inspection. PERMITTEE has inspected the Premises and all improvements thereon, if any, knows the condition thereof, fully assumes all risks incident to its use and enjoyment, and agrees that the Premises and improvements thereon, if any, are in good and suitable condition for the purposes cited in Paragraph 2 herein.

5. Security deposit. PERMITTEE, upon execution of this Permit, shall deposit with the DEPARTMENT OF HAWAIIAN HOME LANDS the sum of \$_____ in cash, certified or cashier's check, which is equal to twice the monthly rent, as security for the faithful performance on its part of all the terms and conditions, inclusive of the special terms and conditions, if any, under this PERMIT, to which it hereby agrees, or in such other form of security therefor as may be satisfactory to PERMITTOR. The deposit will be returned without interest to PERMITTEE within a reasonable time after the termination of this PERMIT only if PERMITTEE has faithfully performed all terms and conditions to the satisfaction of PERMITTOR. In the event, however, that PERMITTEE does not perform, PERMITTOR, at its option, may declare the deposit forfeited to PERMITTOR or apply it as an offset to any amounts owed by PERMITTEE to PERMITTOR under this PERMIT or to any

damages or loss to PERMITTOR caused by PERMITTEE'S breach of such terms and conditions. The exercise of this option is without prejudice to the right of PERMITTOR to institute action for debt or damages against PERMITTEE or to resort to any recourse against PERMITTEE provided by law for the enforcement of PERMITTOR'S rights under this PERMIT.

6. Residential use prohibited. PERMITTEE shall not allow any human or domestic animal to inhabit the premises, even on a temporary basis, except with the prior written approval of PERMITTOR.

7. Liquidated damages. If PERMITTEE does not vacate the Premises upon the revocation, expiration or termination of this PERMIT, PERMITTEE shall pay to PERMITTOR liquidated damages at the rate of \$_____ for each day, or portion thereof, PERMITTEE remains on the Premises beyond the date of revocation, expiration or termination. Such payment shall be in addition to any other rights or remedies PERMITTOR may be entitled to pursue for breach of contract or for illegal occupancy.

8. Insurance. PERMITTEE shall, at its own expense, effect, maintain and keep in force throughout the life of this PERMIT, a General Comprehensive Public Liability Insurance policy or policies with limits with respect to any one accident of not less than \$100,000 for bodily injury to one person, \$300,000 for bodily injury to more than one person per occurrence and \$50,000 against the claims of third persons for property loss or damages. The specification of the limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of PERMITTEE for rent, interest or other charges under this PERMIT.

Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the Chairman, Hawaiian Homes Commission; (b) name the State of Hawaii, DEPARTMENT OF HAWAIIAN HOME LANDS, as an insured; (c) provide that the DEPARTMENT OF HAWAIIAN HOME LANDS shall be notified at least thirty (30) days prior to any termination, cancellation or material change in the insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of PERMITTEE, its officers, agents, employees, invitees or licensees in connection with PERMITTEE'S use or occupancy of the Premises.

PERMITTEE shall insure during the term of this PERMIT any and all improvements now existing and hereafter built or located on the Premises. The insurance shall cover loss or damage by fire and other hazards, casualties and contingencies, including vandalism and malicious mischief. The insurance shall be for the full insurable value of such improvements.

PERMITTEE shall furnish to PERMITTOR upon the execution of this PERMIT, certificates showing such insurance policy or policies to be in favor of PERMITTOR and to be in force, and shall furnish like certificates upon each renewal thereof. In the event of loss, damage or destruction, PERMITTOR shall retain from the proceeds of the policies such amounts deemed by it to be necessary

to cover the loss, damage or destruction of or to the improvements and the balance of such proceeds, if any, shall be delivered to PERMITTEE.

9. Indemnity. PERMITTEE shall at all times with respect to the Premises, use due care for public safety in the exercise of the rights granted to it hereunder and shall defend, hold harmless and indemnify PERMITTOR, its officers, agents and employees from and against any and all loss or damages to real or personal property, or liability for injury to or death of persons when such loss, damage, injury or death, arises from, grows out of, or is proximately caused by any act or omission on the part of PERMITTEE, its officers, agents, employees, invitees or licensees, in its use or occupancy of the Premises, or by reason of fire or explosion upon the Premises.

10. No waiver of rights. Failure by PERMITTOR to insist upon strict performance thereof by PERMITTEE, or to exercise any option herein reserved, shall not be construed as a waiver or as a relinquishment of any of PERMITTOR'S rights under this PERMIT. The acceptance of rent by PERMITTOR shall not constitute a waiver of any breach by PERMITTEE of any of the terms and conditions, upon which this PERMIT is granted and to which PERMITTEE has agreed, nor of PERMITTOR'S right to terminate or revoke this PERMIT.

11. Utilities and other charges. PERMITTEE shall be responsible for and pay all charges for utility usage, if any, including but not limited to, water, electricity, garbage/trash pickup and disposal, sewer, and telephone. PERMITTEE shall be responsible for any hookup of utilities to the premises, if required by PERMITTEE'S use.

12. Real property taxes. PERMITTEE shall pay all real property taxes lawfully assessed against the Premises as provided in Section 246-36(1)(D), Hawaii Revised Statutes.

13. Waste, strip, nuisance, and maintenance. PERMITTEE shall not make, permit or suffer any waste, strip, nuisance or any other unlawful, improper or offensive use of the Premises or improvements, if any, thereon.

PERMITTEE shall keep and maintain the Premises and any and all improvements, including all portions thereof, and any and all equipment and personal properties of PERMITTEE upon the Premises in a strictly clean, neat, orderly and sanitary condition, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse resulting from its activities on the Premises. All shrubbery and overgrowth within the premises shall be kept neatly trimmed.

PERMITTEE is expressly prohibited from using the premises for the storage, sorting and sale of materials such as fill soil or rock, manure, rubble, junk, waste, scrap, discarded or salvage items including machinery, automobiles, equipment, flammables and contaminants of every description whatsoever except that which will be used by PERMITTEE in direct conjunction for the purposes cited in Paragraph 2 herein.

14. Hazardous Materials. PERMITTEE shall not cause or permit the escape, disposal, or release of any hazardous materials. PERMITTEE shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such materials, nor allow to be brought onto the premises any such materials except to use in the ordinary course of PERMITTEE'S business, and then only after written notice is given to the PERMITTOR of the identity of such materials and upon PERMITTOR'S consent, which consent may be withheld at the PERMITTOR'S sole and absolute discretion. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by PERMITTEE, then PERMITTEE shall be responsible for the costs thereof. In addition, PERMITTEE shall execute affidavits, representations and the like from time to time at PERMITTOR'S request concerning PERMITTEE'S best knowledge and belief regarding the presence of hazardous materials on the Premises placed or released by PERMITTEE.

PERMITTEE agrees to indemnify, defend, and hold PERMITTOR, its officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorney's fees, and all claims, suits, and demands therefor, arising out of or resulting from and use or release of hazardous materials on the premises occurring while PERMITTEE is in possession, or elsewhere if caused by PERMITTEE or persons acting under PERMITTEE. These covenants shall survive the expiration or earlier termination of the Permit.

For the purpose of this PERMIT, the term "hazardous material" as used herein shall include any substance, waste or material designated as hazardous or toxic or radioactive or other similar term by any present or future federal, state or local statutes, regulation or ordinance, such as the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, and the Federal Clean Water Act, as amended from time to time, and also including but not limited to petroleum, petroleum based substances, asbestos, polychlorinated-biphenyls ("PCB"), formaldehyde, and also including any substance designated by federal, state or local regulations, now or in the future, as presenting a risk to human health or the environment.

Prior to the termination of the subject PERMIT, PERMITTEE may be required to conduct a Level One (1) Hazardous Waste Evaluation and conduct a complete abatement and disposal, if necessary, satisfactory to the standards required by the Federal Environmental Protection Agency, the Department of Health and PERMITTOR.

15. Right to enter. PERMITTOR or its agents and employees may enter the Premises at all reasonable hours for the purpose of inspection or investigation as to whether PERMITTEE is complying with the terms and conditions of this PERMIT or for any other proper purpose in the performance of its duties. PERMITTEE shall not make any claim for damages or set off of rent or other charges by reason or on account of such entry.

16. Structural improvements or alterations. No substantial improvements or alterations of a structural nature shall be made, installed or constructed on, under or within the Premises by

PERMITTEE unless it first submits its plans and specifications therefor to PERMITTOR for its approval and unless such plans and specifications are in fact approved in writing by PERMITTOR. The plans and specifications shall not be submitted or approved unless they be in full compliance with any and all statutes and rules and regulations applicable thereto.

Any improvements or alterations shall be accomplished at the sole cost and risk of PERMITTEE and PERMITTOR shall not be responsible for any damage to or destruction of any such improvements or alterations or any personal property on the Premises.

17. Removal of improvements. PERMITTEE may remove, at its own cost and risk, any and all improvements and any and all portions thereof, constructed or installed by it upon the Premises, at any time during the life of this Permit; provided, however, that PERMITTEE shall give prior written notice of its intent to remove the same and that in the event of such removal, the Premises shall be restored by PERMITTEE to the condition as near as possible to that which existed immediately prior to the construction or installation thereof, ordinary wear and tear excepted; provided, further, that until such removal and restoration has been completed to the satisfaction of PERMITTOR, PERMITTEE shall continue to pay the rent set forth in Paragraph 3 herein. Failure of PERMITTEE to give prior notice of intention to remove any improvements or portions thereof shall be deemed to be an abandonment of the premises and any remaining such improvements or portions thereof.

18. Option to require removal of improvements. PERMITTOR, with respect to any and all improvements and any and all portions thereof constructed or installed by PERMITTEE on the Premises, reserves the right, at the time of notification of termination or revocation of this PERMIT, to require PERMITTEE to remove the same, at its own cost and risk, within twenty (20) calendar days after the termination or revocation date. Upon the failure of PERMITTEE to effect such removal within the specified twenty (20) days, PERMITTOR may elect to retain the improvements or portions thereof or shall have the right to complete such removal and to restore the Premises to a condition as near as possible to that which existed immediately prior to the construction or installation of the improvements or portions thereof, by its own employees or by an independent contractor and assess PERMITTEE the total costs thereof.

19. Compliance with laws; discrimination prohibited. PERMITTEE shall comply with any and all laws, ordinances and rules and regulations applicable to the Premises.

The use and enjoyment of the Premises shall not be in support of any policy that discriminates against anyone based upon race, creed, color, national origin, sex or a physical handicap.

20. Transferability. This PERMIT, inclusive of any and all rights or obligations accruing or arising under it, shall not be sold, transferred, assigned, leased, mortgaged or otherwise alienated or encumbered in any manner whatsoever.

21. Renewal or extension. The renewal of this PERMIT shall be only upon approval of the Chairman, Hawaiian Homes Commission, as authorized by the action of the Hawaiian Homes Commission.

22. Termination and revocation. This PERMIT may be terminated by either party without cause upon twenty-five (25) days' written notice; provided that in the event PERMITTEE fails to pay any rent, interest, fees or charges when due or otherwise breaches any one or more of the terms and conditions, PERMITTOR may revoke this permit upon five (5) calendar days' written notice.

23. Right to re-enter and assume possession. PERMITTOR reserves the right and PERMITTEE agrees that upon breach of any one or more of the terms and conditions of this PERMIT and/or termination thereof under Paragraph 20 herein, PERMITTOR may, without necessity of court action, enter upon and administratively take possession of the Premises from the PERMITTEE.

24. Restoration. PERMITTEE shall, no later than thirty (30) days after the termination or revocation date of this PERMIT, restore, at its own cost and risk, the Premises to a condition as near as possible to that which existed prior to the effective date of this PERMIT, reasonable and ordinary wear and tear and damage by acts of God excepted, and peacefully surrender possession thereof to PERMITTOR. In the event PERMITTEE fails to effectuate such restoration of the Premises, PERMITTOR reserves the right to accomplish the same by its own employees or by an independent contractor and assess PERMITTEE the total costs thereof.

25. Court costs. PERMITTEE shall pay any and all court costs and attorney's fees incurred by PERMITTOR in collecting rents, penalties, interest, fees, or other charges due and payable by PERMITTEE under this PERMIT or in removing PERMITTEE and/or the improvements or portions thereof, constructed or installed by it, from the Premises, where necessary, or in recovering any damages or loss caused by PERMITTEE'S breach of any of the terms or conditions under this PERMIT, or in defense, where necessary, of any claims against PERMITTOR for loss, damage, injury or death arising from, growing out of or proximately caused by any act or omission of PERMITTEE, its officers, agents, employees, invitees, or licensees in its use or occupancy of the Premises.

26. Interpretation. The use of any gender shall include all genders, the use of the singular shall include the plural and the use of the plural shall include the singular as the context may require.

27. Special Conditions.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed the day and year first above written.

Approved by the Chairman,
HHC, on _____

State of Hawaii
DEPARTMENT OF HAWAIIAN HOME LANDS

By _____
Raynard C. Soon, Chairman
Hawaiian Homes Commission

APPROVED AS TO FORM
AND LEGALITY:

PERMITTOR

Deputy Attorney General
State of Hawaii

By _____

PERMITTEE

STATE OF HAWAII

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) ss

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On this _____ day of _____, 20____, before me personally appeared _____ and _____ to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that _____ executed the same as _____ free act and deed.

Notary Public, ____ Judicial Circuit
State of Hawaii

My Commission expires: _____